

SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Wright Analyst: Kristina E. North Bill Number: AB 505

Related Bills: See Prior Analysis Telephone: 845-6978 Amended Date: August 8, 2000

Attorney: Patrick Kusiak Sponsor:

SUBJECT: Administrative Procedures/Small Business Regulatory Reform Act of 2000/State Agencies Adopting Regulations

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as amended July 5, 2000.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO _____.

REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED JULY 5, 2000, STILL APPLIES.

OTHER - See comments below.

SUMMARY OF BILL

Under the Administrative Procedures Act within the Government Code, this bill would make various changes to the laws governing regulatory procedures, including requiring each state agency to establish a small business liaison.

This analysis addresses only those provisions applicable to rulemaking procedures that impact the department's programs and operations.

SUMMARY OF AMENDMENT

The August 8, 2000, amendment:

?? deletes the requirement that a state agency extend the public comment period for at least an additional four days if a public hearing is held within four days or less from the end of the public comment period;

?? states legislative intent that rulemaking agencies consider granting a request from a member of the public for additional time to respond to a new issue raised at a public hearing before the state agency takes action, if granting the request is practical and does not unduly delay action on the regulation;

?? specifies a state agency is not required to establish or maintain a website or other forum for electronic publication or distribution of written material to comply with this bill.

?? specifies that the failure to comply with the required acceptance of public comments by facsimile and electronic mail or the required posting of regulatory action information on a website would not be grounds for disapproval of the proposed regulatory action;

Board Position:

<input type="checkbox"/> S	<input type="checkbox"/> NA	<input type="checkbox"/> NP
<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input checked="" type="checkbox"/> PENDING

Legislative Director

Date

Johnnie Lou Rosas

8/30/00

- ?? requires the Office of Administrative Law (OAL) to publish summaries of all regulation decisions issued in the previous week detailing reasons for the disapproval of a regulation or for not filing or for repealing an emergency regulation;
- ?? requires a state agency proposing to adopt regulations to involve parties subject to the proposed regulations prior to publication of the notice of proposed regulatory action;
- ?? removes the \$10 million threshold for determining significant impact of a proposed regulatory action on businesses; and
- ?? specifies that a state agency significantly regulating or impacting small businesses is required to designate at least one person to serve as a small business "liaison," formerly "ombudsman," and that the agency's existing personnel and resources are to be used for that purpose;
- ?? requires a state agency that decides not to proceed with a notice of proposed action to inform OAL of that decision;
- ?? changes to May 1, 2002, the due date of the report to be prepared and submitted by the task force; and
- ?? makes other technical or nonsubstantive changes.

Except for these changes, the remainder of the department's analysis of the bill as amended July 5, 2000, still applies. The implementation and technical considerations and the board position are restated.

Implementation Consideration

In circumstances where the proposed repeal of a regulation is not compelled by statutory change or judicial decision, this bill could make it more difficult to repeal a regulation by requiring the department to assess any significant adverse economic impact on individuals and corporations before repealing the regulation.

Technical Consideration

This bill specifies that definitions provided for the California Small Business Advocate apply to Government Code Sections 15334.5 through 15334.8, inclusive, unless otherwise indicated. However, the referenced sections do not currently exist, nor are they added by this bill. The author's office may wish to consider changing the section numbers identified to coincide with the revised section numbers.

BOARD POSITION

Pending.